

*Energy Conservation*

In the medium term, when we lose self-sufficiency in oil supplies we shall be turning to the tar sands and frontier sources such as the Arctic, offshore supplies, and so on, in an economic framework substantially different from that which exists today.

● (1730)

In the long term, and I mean 25 years to the year 2000, we will see either solar energy or fusion energy being harnessed, and we should be backing both those areas now to make sure we have those answers in 25 years.

The other two programs are really stop-gap measures to buy us time and long-term answers through either solar or fusion energy techniques. The other novel techniques mentioned in the Science Council's report on Canada's energy opportunities, which was published last March, really will not make a major contribution to our energy requirements, whether they be bio-mass, geothermal, tidal, or power from wind or fuel cells. It is really a red herring to give them undue precedence in our order of priorities.

In buying time for long-term solutions there is no question that conservation is a major ingredient, but it is only one factor in the over-all problem of energy research and development across the whole area I have outlined.

It was a great disappointment when I saw in last June's budget that \$42 million had been cut from the energy research and development program. I can understand the reason for this, with the major problem facing us today being one of inflation and the great clamour from the public to cut back on government spending. There is no question but that in the short-term we have some problems to face in the inflation era which are going to affect our energy research and development programs. I am not happy with that, but I understand it. I feel there is no question at all but that we must lick inflation and lick it now, because any money being spent on or earmarked for energy research and development will have little effect as inflation eats into its value.

So in the short term we see the programs not going as fast as we would like or as fast as we deem necessary. I think we will see in the next budget, coming up next spring, a real blood bath as far as restrictions on and cutbacks to government spending are concerned. The public is asking for them and the public is going to get them, but the public is going to be unhappy about this as the public was unhappy about the ten cents excise tax on gasoline last summer. However, as I told my constituents then, that is only the first step. There are many more steps as we slowly edge our way up to higher energy costs in the future. I have told them not to scream about the fact that they are going to need more money to pay for higher gasoline costs. That is not the message.

The message is that if people are going to continue wasting energy as they have been doing, they will have to pay more for it. If they do not want to pay more money for energy then they had better conserve in their utilization of energy, whether it be by driving at slower speeds, driving automobiles with more efficient engines, or travelling less mileage. The option is theirs and the message is clear. They will have to conserve on the use of energy. The time of cheap energy has gone, and we are moving into an era of more expensive energy.

[Mr. Maine.]

It is this whole change in attitude that has to come in respect of energy use in Canada. When we were told on Thanksgiving Day that our lifestyles are going to be wrenched, this is the translation of that phrase into real direction. We have to use less energy, or face the consequences.

I feel this is not in the direction of government intervention by legislation, or by interference in the private sector, but rather a program of using the tools of the free enterprise system. These are the ones we should use in the supply and demand picture. They are the economic tools that were mentioned earlier by the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton).

I disagree strongly with the comments of the hon. member for Don Valley that the government has done nothing. There are several things that have been done. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) suggested that we should use taxation further to encourage people to use smaller cars in the transportation sector. That is exactly what has been done with the ten cents excise tax on gasoline. It was purposely meant to do that; that is, discourage the use of gasoline. Industry was exempt from this taxation.

**An hon. Member:** It was meant to increase revenue.

**Mr. Maine:** It increases revenue to pay the bills for a one-price oil system in Canada. This system is intended to buffer the shock of higher priced energy we will be faced with in the future. The Liberal government has tried to ease us rather than shock us into this precipitous ascent in the price that other nations in the world have faced, as well as the precipitous ascent in price resulting from inflation.

I think it is a reasonable philosophy to adjust our economy slowly rather than wrench it overnight as was done in the case of nations that had to go to oil prices on a world scale immediately. So I say that the ten cents excise was a first step, but there will be more steps as we go to commodity prices for energy.

Electricity is going to be the key. The price of natural gas has already started to rise, and oil prices have gone up and are going up higher in the future. We will soon have a commodity situation in which there will be no artificial economic incentives to use one form of energy as against another. This will depend on a matter of geography rather than economics, and this will dictate the source of energy being used. The gas and oil companies which are screaming about what is being done in this regard had better realize the need for us in the long term to go to a situation where we are not providing artificial incentives in the use of one form of energy over another.

In respect of the matter of the government having done something about this, I should like to mention the Science Council's report on energy use that came out last March, its report on energy conservation that came out last July, and more recently, within the last few weeks, the council's publication called "Conservation Society/Notes". Let me quote one paragraph from that report, which shows not only the concern of the Science Council in its attempt to advise Canadians across the country but the fact that this is not just the most recent effort of the council. The paragraph states: